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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 004301

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TAGS: [ECON](#) [EINV](#) [ETRD](#) [IZ](#)  
SUBJECT: TELECOMS: CHAIRMAN ADBULLAH SALEH SAYS CMC TO KEEP  
REGULATING FUNCTION UNDER DRAFT LAWS

REF: STATE 184172

Classified By: Economic Minister Counselor Daniel Weygandt, Reasons 1.4  
(b,d)

¶1. (C) SUMMARY. Chairman Abdullah Saleh of the Essential Services Committee in the Council of Representatives reported that his committee has been actively developing three telecommunications laws. Under the proposed CMC Law, the agency would retain the responsibility for allocating and regulating frequencies, but would face a significant restructuring. The function of monitoring the media for content and sanctioning violators would be split off from the CMC and carried out by a new organization. Saleh agreed with our suggestion that the regulatory function should be kept separate from an organization that is involved in providing telecoms services to avoid conflict of interest. END SUMMARY.

¶2. (C) On Nov. 17, IRMO Senior Consultant for Communications and Econoff discussed the development of telecommunications legislation with Chairman Abdullah Saleh of the Essential Services Committee in the Council of Representatives (COR). Chairman Saleh reported that his committee has been actively developing three separate laws. The first law, a Telecommunications Law, seeks to define the distinct mandates of the Ministry of Communications (MoC) and the Communications and Media Commission (CMC), and the other two define the structure and function of those organizations. The Chairman added that significant drafting had already taken place on the Telecommunications and CMC Laws, but they still await input from the ministry to push ahead with drafting on the MoC Law. They have solicited input from range of ministries as well, including Defense and Interior.

¶3. (C) Under the proposed CMC Law Saleh outlined, the agency would retain the responsibility for allocating and regulating frequencies, but would be restructured significantly. The commissioners, board would continue to consist of nine members, with one commissioner, elected by the board, serving as chairman. He intimated that the COR would have a role in licensing as well, but declined to offer details.

¶4. (C) Unlike the current arrangement, however, there would also be a General Director at the CMC, whose function is management of the organization and implementation of policies set by the commissioners. The purpose of this arrangement, Saleh noted, is to ensure separation of the policy development from the function of running the organization. Saleh declined to elaborate on whether he expected the current CMC CEO, who under the present arrangement fulfills both roles, would continue to serve in the new organization.

¶5. (C) Saleh added that under the draft, the function of monitoring the media for content and sanctioning violators would be split off from the CMC and carried out by a new organization. He said this is because the functions of regulating communications channels and regulating content are very distinct functions, and the task of monitoring media in

Iraq for speech that incites violence has grown.

¶6. (C) He agreed with our suggestion that the regulatory function should be kept separate from an organization that is involved in providing telecoms services to avoid a conflict of interest. Under the draft, two commissioners would be MoC staff seconded to the CMC, but Saleh emphasized that those individuals would be barred from serving as the chairman. He noted that their role is to ensure a constructive flow of information between the MoC and CMC.

¶7. (C) Saleh said he expects to be able to move quickly to pass the laws, adding that he believes they can be finalized and passed by the CoR within two to three weeks. He thus hopes there will not be a need to further extend the existing mobile licenses. Saleh, an ethnic Kurd, also stressed that the laws would apply to all of Iraq, and not make distinctions for regions, including the Kurdish-majority north.

¶8. (C) COMMENT. Saleh clearly understands the issues we raised about the need for effective telecoms regulation that independent from government-owned service providers. The legal structure he described reflects this understanding, and is a positive sign. Adding the General Director role to the CMC will provide much needed balance, a renewed focus on management of the CMC, and reduce the likelihood of corruption. Saleh's timetable for passing the laws seems over-ambitious, however, especially since the MoC has yet to provide the requested input needed to finish the draft MoC law. It may be that this indicates the MoC, which was rumored to have picked up the licensing function in earlier drafts of the law, may be stalling in an attempt to reorient the debate on the division of power between it and the CMC.

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Despite his comment on the laws applying to the entire country, it seems unlikely they could be effectively enforced in the Kurdish-majority north, given the on-going development of a distinct regulatory regime in that area. END COMMENT.

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